

## UTAH OIL AND GAS CONSERVATION COMMISSION

REMARKS: WELL LOG ELECTRIC LOGS FILE ☒ WATER SANDS LOCATION INSPECTED SUB. REPORT/atd.

DATE FILED 4-19-91

LAND: FEE &amp; PATENTED

STATE LEASE NO. ML-39335

PUBLIC LEASE NO.

INDIAN

DRILLING APPROVED: 5-31-91

SPUDDED IN:

COMPLETED: 7-27-92 LA PUT TO PRODUCING:

INITIAL PRODUCTION:

GRAVITY A.P.I.

GOR:

PRODUCING ZONES:

TOTAL DEPTH:

WELL ELEVATION:

DATE ABANDONED: LAD Per BLM EFF 7-27-92

FIELD: WILDCAT

UNIT: DRUNKARDS WASH

COUNTY: CARBON

WELL NO. STATE OF UTA 36-1-2

API NO. 43-007-30131

LOCATION 600' FNL FT. FROM (N) (S) LINE.

620' FEL

FT. FROM (E) (W) LINE.

NENE

1/4 - 1/4 SEC.

36

TWP.	RGE.	SEC.	OPERATOR	TWP.	RGE.	SEC.	OPERATOR
				14S	9E	36	RIVER GAS OF UTAH, INC.



**RIVER GAS OF UTAH, INC.**

3600 Watermelon Road, Suite 204  
Northport, Alabama 35476  
Phone (205) 759-3282  
Fax (205) 759-3188

**RECEIVED**

APR 19 1991

DIVISION OF  
OIL GAS & MINING

April 18, 1991

UNITED PARCEL SERVICE

Mr. Brad Hill  
Utah Board of Oil, Gas and Mining  
Suite 350, 3 Triad Center  
355 West North Temple  
Salt Lake City, Utah 84180-1203

RE: Coalbed Methane Well Permit Application -  
Utah 36-1-2, NE $\frac{1}{4}$  of NE $\frac{1}{4}$ , Section 36, T.14S., R.9E.,  
S.L.B. & M., Carbon County, Utah

Dear Mr. Hill:

Enclosed is an original and a copy of an Application for Permit to Drill (APD) as described above. Attached to this APD is the following information:

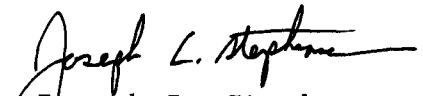
- Attachment #1 - Copy of survey plat of proposed well site
- Attachment #2 - Information regarding use of water at the site.
- Attachment #3 - Schematic of BOPE
- Attachment #4 - Copy of Designation of Agent or Operator ("Form 5") (original submitted with previous RGU #1 permit)
- Attachment #5 - Copy of Designation of Operator form previously sent to State Lands and Forestry Division
- Attachment #6 - Portion of topographical map indicating proposed well site
- Attachment #7 - Additional drilling information furnished according to State regulations.
- Attachment #8 - Evidence of bond sent to State Lands and Forestry Division

Mr. Brad Hill  
April 18, 1991  
Page Two

Also, please accept this letter as our request that all information be kept confidential that is eligible for such consideration regarding this permit. This request is made in accordance with your regulation R615-2-11.

I will call you after you have had an opportunity to review this request. In the meantime, if you have any questions, please call me.

Sincerely yours,

  
Joseph L. Stephenson  
Land Manager

Enc.

cc: Mr. Edward W. Bonner

STATE OF UTAH  
DIVISION OF OIL, GAS AND MINING

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK				5. Lease Designation and Serial No. ML-39335	
1a. Type of Work DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/> b. Type of Well Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Coalbed Methane <input type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone <input type="checkbox"/>				6. If Indian, Allottee or Tribe Name N/A 7. Unit Agreement Name Drunkards Wash #UTU67921X 8. Farm or Lease Name State of Utah 9. Well No. 36-1-2 10. Field and Pool, or Wildcat Wildcat <u>GO</u> 11. 00, Sec., T., R., M., or Blk. and Survey or Area Section 36, T14S, R9E S.L.B. & M. 12. County or Parrish Carbon 13. State Utah	
2. Name of Operator River Gas of Utah, Inc. (205/759-3282) 3. Address of Operator 12031 Lake Nicol, Tuscaloosa, Alabama 35406 4. Location of Well (Report location clearly and in accordance with any State requirements.) At surface 600' FNL and 620' FEL (NE/4 of NE/4) At proposed prod. zone same				14. Distance in miles and direction from nearest town or post office* Three (3) miles Southwest of Price, Utah 15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drilg. line, if any) 600' FNL 16. No. of acres in lease 485.9 17. No. of acres assigned to this well 160 18. Distance from proposed location* to nearest well, drilling, completed, or applied for, on this lease, ft. none 19. Proposed depth 2000 FRSD 20. Rotary or cable tools Rotary 21. Elevations (Show whether DF, RT, GR, etc.) 5764 surveyed elevation 22. Approx. date work will start* May 1, 1991	
23. PROPOSED CASING AND CEMENTING PROGRAM					
Size of Hole	Size of Casing	Weight per Foot	Setting Depth	Quantity of Cement	
12-1/4	8-5/8"	24#	300'	200 sx	
7-7/8	5-1/2"	17#	2000'	340 sx	

TECHNICAL REVIEW

Engr. SM 5-15-91

Geol. DS 5/16/91

Surface 5/18/91

RECEIVED

APR 19 1991

CONFIDENTIAL

DIVISION OF  
OIL GAS & MINING

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. I hereby certify that this report is true and complete to the best of my knowledge.

Signed Michael J. Farrens

Title Vice President-Utah Operations Date 04-16-91

(This space for Federal or State office use)

API NO. 43-007-30131

Approval Date

Approved by \_\_\_\_\_  
Conditions of approval, if any:

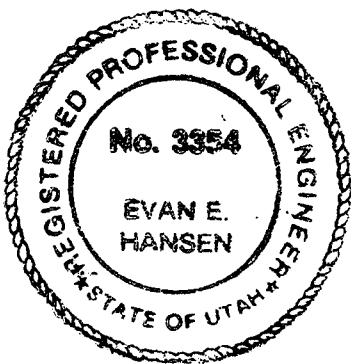
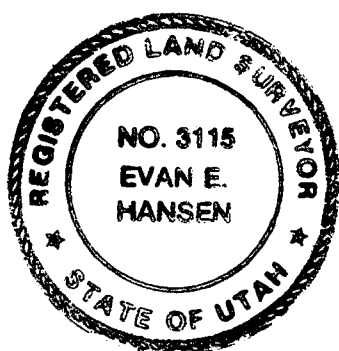
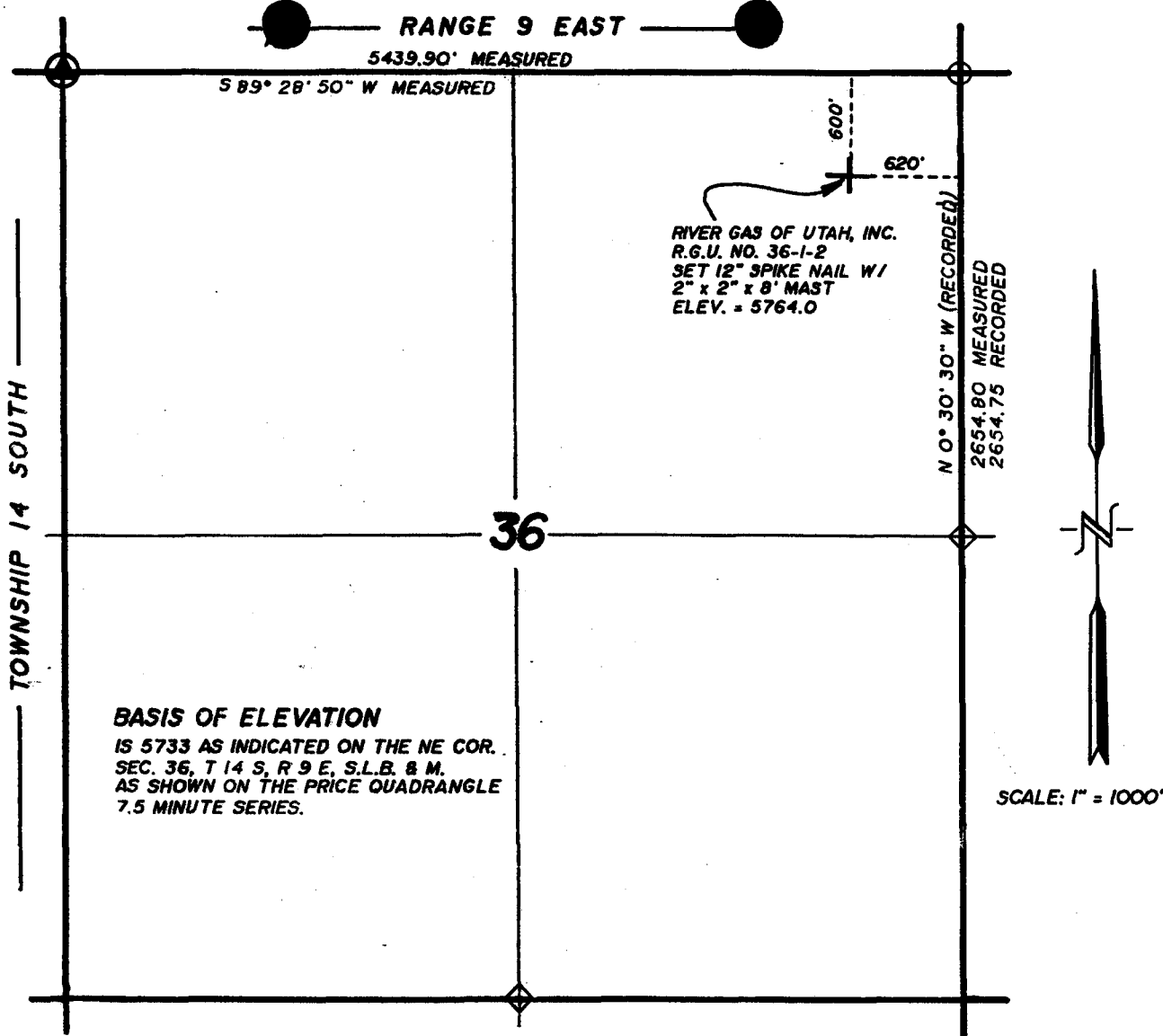
Title

APPROVED BY THE STATE  
OF UTAH DIVISION OF  
OIL, GAS AND MINING

DATE: SM 5-31-91

BY: SM Matthews

WELL SPACING: 615-2-3



### ENGINEER'S CERTIFICATE

I, EVAN E. HANSEN, DO HEREBY CERTIFY THAT I AM A REGISTERED LAND SURVEYOR AND PROFESSIONAL ENGINEER HOLDING CERTIFICATES NO. 3115 AND NO. 3354 AS PRESCRIBED UNDER THE LAWS OF THE STATE OF UTAH. I FURTHER CERTIFY THAT I HAVE MADE A SURVEY OF THE TRACT OF GROUND SHOWN AND THAT IT IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE.

Evan E. Hansen  
EVAN E. HANSEN

APRIL 5, 1991  
DATE

ATTACHMENT #1

### BASIS OF BEARING

BASIS OF BEARING N 0° 30' 30" W RECORDED BETWEEN THE EAST QUARTER CORNER AND THE NORTHEAST CORNER OF SECTION 36, TOWNSHIP 14 SOUTH, RANGE 9 EAST, SALT LAKE BASE AND MERIDIAN AND IS THE UTAH STATE PLANE COORDINATE SYSTEM AS ESTABLISHED BY THE CARBON COUNTY SURVEYOR'S OFFICE.

### LEGEND

- FOUND ROCK SECTION CORNER
- FOUND BRASS CAP SECTION CORNER
- ◇ FOUND BRASS CAP QUARTER CORNER
- ◇ SEARCHED FOR BUT NOT FOUND

SECTION 36, T 14 S, R 9 E, S.L.B. & M.

**Empire Engineering**

1665 E. SAGEWOOD RD. PRICE, UTAH 84501

RIVER GAS OF UTAH, INC.

R.G.U. NO. 36-1-2

Drawn By: TH

Approved By: EEH

Drawing No.

Date: 4-5-91

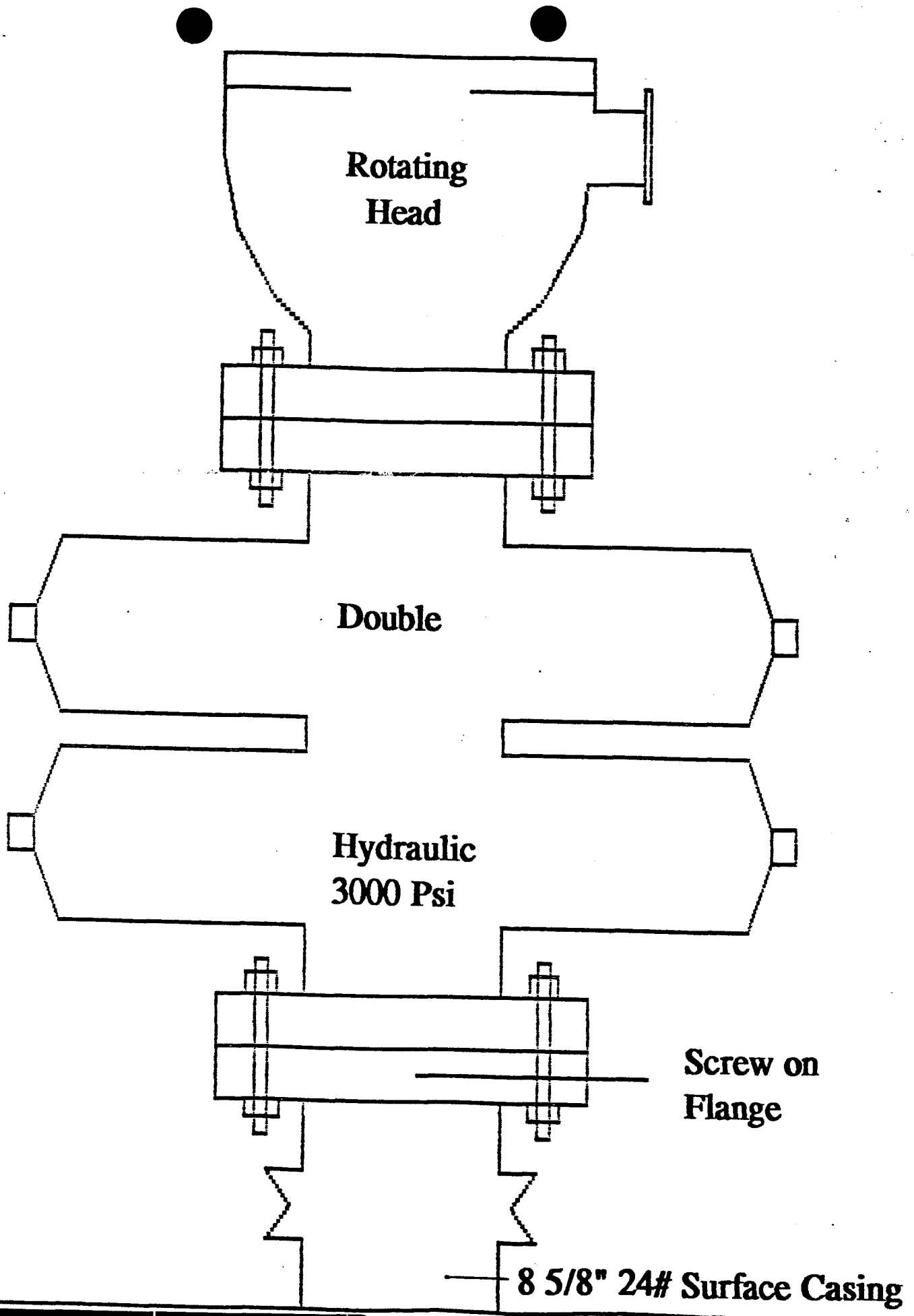
Scale: 1" = 1000'

EEOG-102 A.

RIVER GAS OF UTAH, INC.  
— ADDITIONAL DRILLING INFORMATION —  
ATTACHMENT #2

RE: Use of Water During Drilling Operations

As stated, water which we will be using is to be purchased from the Price River Water Improvement District (Tel. 801-637-6350). This has been arranged by Mr. Michael J. Farrens, Drilling Supervisor for River Gas of Utah, Inc. He has been in contact with Mr. Phillip Palmer. Mr. Farrens has discussed this arrangement with Mark Page of the Division of Water Rights (Tel. 801-637-1303) over the telephone. The Division of Water Rights is to furnish the Oil & Gas Division with a letter of approval concerning this matter.



DESIGNATION OF AGENT OR OPERATOR - FORM 5

The undersigned is, on record, the holder of oil and gas lease

LEASE NAME: STATE OF UTAH

LEASE NUMBER: 39335

and hereby designates

NAME: RIVER GAS OF UTAH, INC.

ADDRESS: 3600 Watermelon Road, Suite 204, Northport, Alabama 35476

as his agent/operator, with full authority to act in his behalf in complying with the terms of the lease and regulations applicable thereto and on whom the Division Director or Authorized Agent may serve written or oral instructions in securing compliance with the Oil and Gas Conservation General Rules and Procedural Rules of the Board of Oil, Gas and Mining of the State of Utah with respect to (describe acreage to which this designation is applicable):

Township 14 South, Range 9 East, SLM.

Section 25: SE/4

Section 36: N/2

containing 480.00 acres, more or less,  
Carbon County, Utah

**COPY**

It is understood that this designation of agent/operator does not relieve the lessee of responsibility for compliance with the terms of the lease and the Oil and Gas Conservation General Rules and Procedural Rules of the Board of Oil, Gas and Mining of the State of Utah. It is also understood that this designation of agent or operator does not constitute an assignment of any interest in the lease.

In case of default on the part of the designated agent/operator, the lessee will make full and prompt compliance with all rules, lease terms or orders of the Board of Oil, Gas and Mining of the State of Utah or its authorized representative.

The lessee agrees promptly to notify the Division Director or Authorized Agent of any change in this designation.

Effective Date of Designation 1-15-91

By: Re Lunn

(signature)

Company TEXACO INC.

Title: Attorney-in-Fact

Address P. O. Box 2100

(303) 793-4047

Denver, Colorado 80201

Phone:



DESIGNATION OF OPERATOR

**COPY**

The undersigned is, on the records of the Department of Natural Resources, Division of State Lands & Forestry, holder of lease. ML 39335 :

and hereby designates

NAME: River Gas of Utah, Inc.  
ADDRESS: 3600 Watermelon Road, Suite 204, Northport, Alabama 35476

as his operator and local agent, with full authority to act in his behalf in complying with the terms of the lease and regulations applicable thereto and on whom the Director of the Division of State Lands & Forestry or his representative may serve written or oral instructions in securing compliance with the Rules and Regulations Governing the Issuance of Mineral Leases with respect to (described acreage to which this designation is applicable):

Township 14 South, Range 9 East, SLM.

Section 25: SE/4  
Section 36: N/2

containing 480.00 acres, more or less, Carbon County, Utah

It is understood that this designation of operator does not relive the lessee of responsibility for compliance with the terms of the lease and the Rules and Regulations. It is also understood that this designation of operator does not constitute an assignment of any interest in the lease.

In case of default on the part of the designated operator, the lessee will make full and prompt compliance with all regulations, lease terms, or orders of the Director, Division of State Lands & Forestry or his representative.

The lessee agrees promptly to notify the Division of State Lands & Forestry of any change in the designated operator.

TEXACO INC.



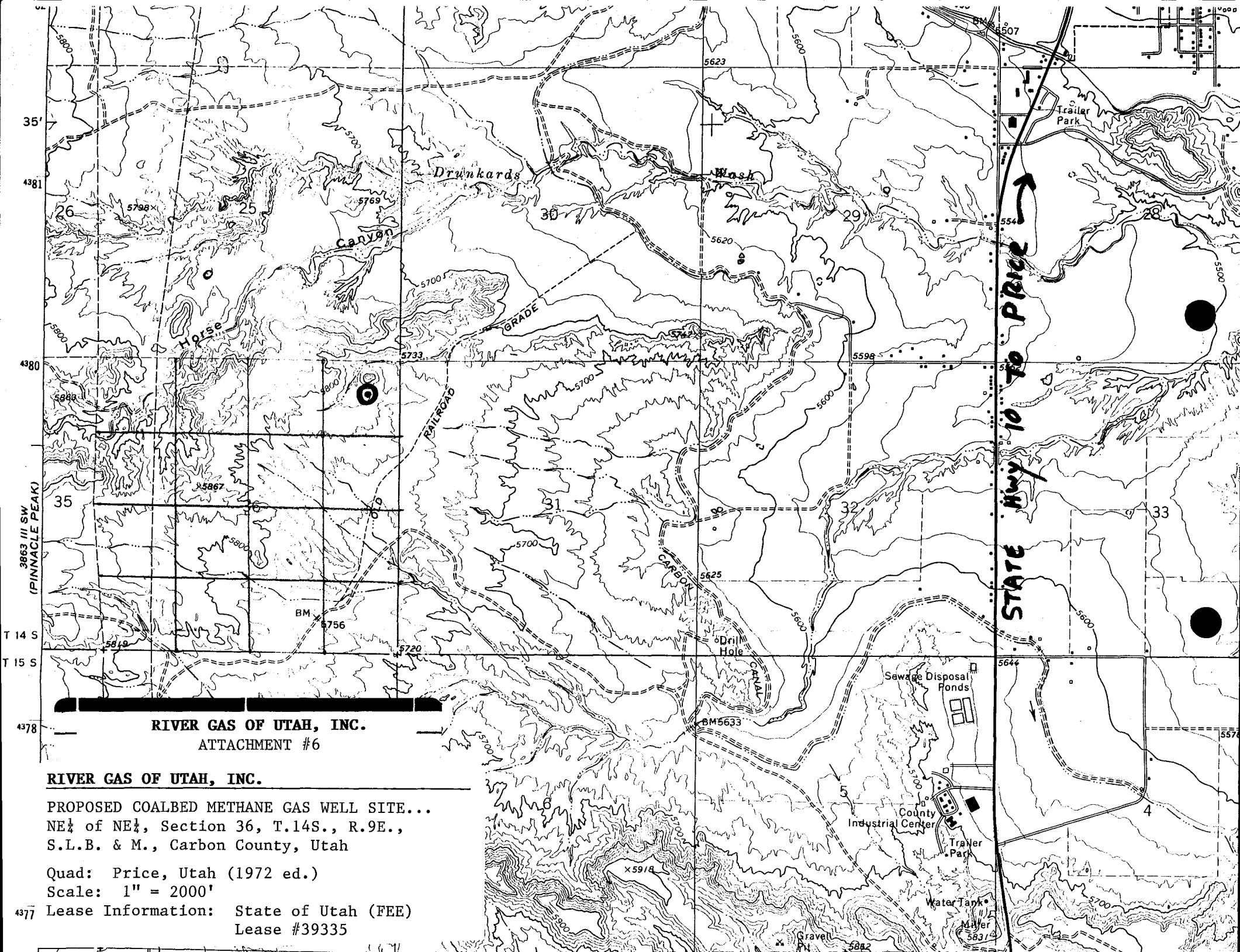
Attorney-in-fact (Signature of Lessee)

January 15, 1991

(Date)

P. O. Box 2100  
Denver, Colorado 80201

(Address)



RIVER GAS OF UTAH, INC.  
ATTACHMENT #6

### RIVER GAS OF UTAH, INC.

PROPOSED COALBED METHANE GAS WELL SITE...  
NE $\frac{1}{4}$  of NE $\frac{1}{4}$ , Section 36, T.14S., R.9E.,  
S.L.B. & M., Carbon County, Utah

Quad: Price, Utah (1972 ed.)

Scale: 1" = 2000'

Lease Information: State of Utah (FEE)  
Lease #39335

**RIVER GAS OF UTAH, INC.**  
Attachment #7  
Prepared by Michael J. Farrens

**Additional Drilling Information**

Utah 36-1-2

600 FNL and 620 FEL  
Section 36, Township 14 South, Range 9 East, Carbon County, Utah

**R615-3-4 Permitting of Wells to be Drilled, Deepened or Plugged Back**

2.1 Telephone numbers for additional information:

Michael J. Farrens	205/759-3282	Office
Drilling Supervisor	205/758-8535	Home
Joseph L. Stephenson	205/759-3282	Office
Land Manager		
David M. Chambers	205/759-3282	Office
President	205/759-3282	Home

2.2 State Lease: Serial No. 39335

2.3 This gas well will be drilled in a Federal Unit. The Unit name is Drunkards Wash Unit. The Unit No. is UTU 67921X.

2.4 Survey Plat: See attachment #1

2.5 Water will be purchased from Price River Water Improvement District: See attachment #2.

2.6 Drilling program.

- 2.6.1 The following geologic units are expected to be penetrated in the well.

<u>Formation/Unit</u>	<u>Depth (ft)</u>
Upper Mancos Shale	Surface
Marker Bed	1487
Ferron Coal	1587
Ferron Coals	1605
Ferron Sand	1607
Ferron Coal (Big)	1635
Ferron Coal (Big)	1669
TD	2000

- 2.6.2 The Ferron Coals and lower Ferron Sandstone will be the only gas and water bearing formations. The top is 1587, bottom 1833. 5-1/2" 17# K55 casing will be run and cemented with 200 sacks light cement and tail-in with 100 sacks class "A".

- 2.6.3 A double gate 3000 psi BOPE will be used with a rotating head. This equipment will be tested to 2100 psi or 70% of the minimum internal yield pressure. All test will be recorded in a Driller Report Book. Physical operation of BOP's will be checked on each trip.  
See attachment #3 for Schematic.

- 2.6.4 None.

- 2.6.5 Mud Program:

0-300	12-1/4" hole	Drill with fresh water and gel sweeps as necessary.
300-2000	7-7/8" hole	Drill with air. 400 psi @ 1500-1800 Scf. Mud logger will be on hole to monitor for gas and CO <sub>2</sub> .

- 2.6.6 Logging Program:

<u>Depth</u>	
0-300	Gamma Ray
300-2000	Gamma Ray, Density, Neutron porosity, Sonic, Caliper

- 2.6.7 We expect 900 psi for bottom hole pressure.  
No other hazards are expected.

BENEFICIARY:  
STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF STATE LANDS AND FORESTRY  
#3 TRIAD CENTER SUITE 400  
355 WEST TEMPLE  
SALT LAKE CITY, UTAH 84180-1204

DECEMBER 14, 1990  
LETTER OF CREDIT NO: 6304606

RIVER GAS OF UTAH, INC.  
ATTACHMENT #8  
Page 1 of 2

GENTLEMEN:

WE HEREBY ESTABLISH OUR IRREVOCABLE STANDBY LETTER OF CREDIT IN FAVOR OF THE DIRECTOR OF THE DIVISION OF STATE LANDS AND FORESTRY OF THE STATE OF UTAH FOR THE ACCOUNT OF RIVER GAS OF UTAH, INC. 12031 LAKE NICOL ROAD, TUSCALOOSA, ALABAMA 35406 FOR THE AGGREGATE AMOUNT OF EIGHTY THOUSAND DOLLARS (\$80,000.00) AVAILABLE BY YOUR DRAFTS AT SIGHT ON THE BANK WHEN DRAWN IN ACCORDANCE WITH THE TERMS AND ACCOMPANIED BY THE DOCUMENTS LISTED UNDER PART C BELOW:

A. THIS LETTER OF CREDIT IS ISSUED BECAUSE THE OPERATOR IS OR WILL BE ENGAGED IN DRILLING, REDRILLING, DEEPENING, REPAIRING, OPERATING AND PLUGGING AND ABANDONMENT A WELL OR WELLS AND RESTORING THE WELL SITE OR SITES ON LANDS OWNED BY THE STATE OF UTAH FOR THE PURPOSES OF OIL OR GAS PRODUCTION AND/OR THE INJECTION AND DISPOSAL OF FLUIDS IN CONNECTION THEREWITH FOR THE FOLLOWING DESCRIBED LAND OR WELL:

TO COVER ALL WELLS DRILLED ON LAND OWNED BY THE STATE OF UTAH.

B. THIS LETTER OF CREDIT IS SPECIFICALLY ISSUED AT THE REQUEST OF THE OPERATOR TO ASSURE THAT THIS FUND WILL BE AVAILABLE DURING THE TIME THAT THE WELLS REFERENCED ABOVE ARE ACTIVE. WE ARE NOT A PARTY TO, NOR BOUND BY, THE TERMS OF ANY AGREEMENT BETWEEN YOU AND THE OPERATOR OUT OF WHICH THIS LETTER OF CREDIT MAY ARISE.

C. DRAFTS DRAWN UNDER THIS LETTER OF CREDIT MUST BE ACCOMPANIED BY AN AFFIDAVIT SIGNED BY THE DIRECTOR OF THE DIVISION OF STATE LANDS AND FORESTRY STATING THAT:

1. ANY WELL IS DEEMED NECESSARY FOR PLUGGING AND ABANDONMENT AND THE OPERATOR HAS NOT FULFILLED SUCH OBLIGATION UNDER THE OIL AND GAS CONSERVATION GENERAL RULES OF THE STATE OF UTAH.
2. THE DRAFT IS IN THE ESTIMATED COST OF PLUGGING EACH WELL UP TO THE AGGREGATE AMOUNT OF THE LETTER OF CREDIT.

WE WILL BE ENTITLED TO RELY UPON THE STATEMENTS CONTAINED IN THE AFFIDAVIT AND WILL HAVE NO OBLIGATION TO INDEPENDENTLY VERIFY ANY STATEMENTS CONTAINED THEREIN.

\*\*\*\*\*CONTINUED ON NEXT PAGE\*\*\*\*\*

AMSOUTH Bank N.A.

1930 5th Avenue North

Birmingham, Alabama 35203-2810 USA

International Department

TELEX: 8827189

Cable: AMSOUBKHM

S.W.I.F.T. AMSB US 44

RIVER GAS OF UTAH, INC.

ATTACHMENT #8

Page 2 of 2

BENEFICIARY:

STATE OF UTAH, DIVISION OF STATE

PAGE 02

DECEMBER 14, 1990

LETTER OF CREDIT NO S304606

EACH DRAFT HEREUNDER MUST BE LISTED AND ENDORSED ON THE REVERSE SIDE OF THIS LETTER OF CREDIT, AND THIS LETTER OF CREDIT MUST BE ATTACHED TO THE LAST DRAFT WHEN THE CREDIT HAS BEEN EXHAUSTED. DRAFTS MAY BE PRESENTED AT THE OFFICE OF THIS BANK NO LATER THAN 2:00 P.M. BIRMINGHAM ALABAMA TIME ON DECEMBER 13, 1991, AND BEAR THE CLAUSE "DRAWN UNDER THE AMSOUTH BANK N.A., BIRMINGHAM, ALABAMA, BANK LETTER OF CREDIT NO. S304606, DATED DECEMBER 14, 1990".

WE HEREBY ENGAGE WITH THE BONA FIDE HOLDERS OF THIS DRAFT AND/OR DOCUMENTS PRESENTED UNDER AND IN COMPLIANCE WITH THE TERMS OF THIS LETTER OF CREDIT THAT SUCH DRAFT AND/OR DOCUMENTS WILL BE DULY HONORED UPON PRESENTATION TO US. OUR OBLIGATIONS HEREUNDER SHALL NOT BE SUBJECT TO ANY CLAIM OR DEFENSE BY REASON OF THE INVALIDITY, ILLEGALITY, OR UNENFORCEABILITY OF ANY OF THE AGREEMENTS UPON WHICH THIS LETTER OF CREDIT IS BASED.

THIS LETTER OF CREDIT IS SUBJECT TO UNIFORM CUSTOMS AND PRACTICE FOR DOCUMENTARY CREDITS (1983 REVISION) ICC PUBLICATION NO. 400.

*Shelly A. Brakefield*  
AUTHORIZED SIGNATURE

*Jeanne B. Hoover*  
AUTHORIZED SIGNATURE

# CONFIDENTIAL

OPERATOR Rever Gas & Utah Inc N-11000 DATE 5-10-91

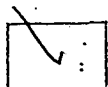
WELL NAME State of Utah 36-1-0

SEC NENE 36 T 14S R 9E COUNTY Carbon

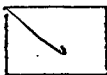
43-007-30131  
API NUMBER

State (3)  
TYPE OF LEASE

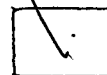
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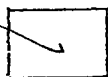
PLAT.



BOND



NEAREST  
WELL



LEASE



FIELD  
SLBM



POTASH OR  
OIL SHALE

## PROCESSING COMMENTS:

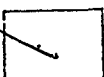
No PAD needed for this well per Bob Hendricks BLM  
water permit

ROCC 5-10-91

Permit 5-10-91 / (Geology review) 5-10-91

## APPROVAL LETTER:

SPACING:



R615-2-3

Dunkards Wash  
UNIT



R615-3-2



N/A

CAUSE NO. & DATE



R615-3-3

## STIPULATIONS:

cc: State History

State Lands

1. water permit

1. A berm should be constructed on west  
side of location to prevent runoff  
from location into wash.

STATE OF UTAH  
DIVISION OF OIL, GAS AND MINING

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK				5. Lease Designation and Serial No. ML-39335	
1a. Type of Work DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>				6. If Indian, Allottee or Tribe Name N/A	
b. Type of Well Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Coalbed Methane <input type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone <input type="checkbox"/>				7. Unit Agreement Name Drunkards Wash #UTU67921X	
2. Name of Operator River Gas of Utah, Inc. (205/759-3282)				8. Farm or Lease Name State of Utah	
3. Address of Operator 12031 Lake Nicol, Tuscaloosa, Alabama 35406				9. Well No. 36-1-2	
4. Location of Well (Report location clearly and in accordance with any State requirements.) At surface 600' FNL and 620' FEL (NE/4 of NE/4) At proposed prod. zone same				10. Field and Pool, or Wildcat Wildcat	
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18. Distance from proposed location to nearest well, drilling, completed, or applied for, on this lease, ft. none		19. Proposed depth 2000		20. Rotary or cable tools Rotary	
21. Elevations (Show whether DF, RT, GR, etc.) 5764 surveyed elevation				22. Approx. date work will start* May 1, 1991	
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RECEIVED

MAY 20 1991

DIVISION OF  
OIL GAS & MINING

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. I hereby certify that this report is true and complete to the best of my knowledge.

Signature: Michael J. Farrens

Title: Vice President-Utah Operations Date: 04-16-91

(This space for Federal or State office use)

API NO. \_\_\_\_\_

/S/ WILLIAM C. STRINGER

Approval Date \_\_\_\_\_  
Assistant District Manager  
for Minerals

Approved by \_\_\_\_\_  
Conditions of approval, if any:

Title \_\_\_\_\_ Date MAY 15 1991

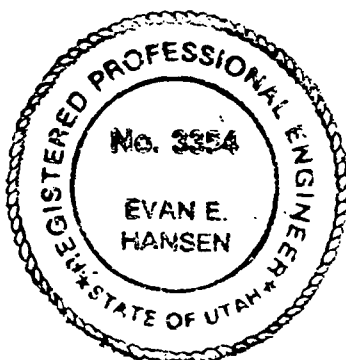
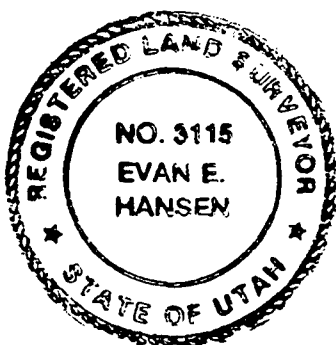
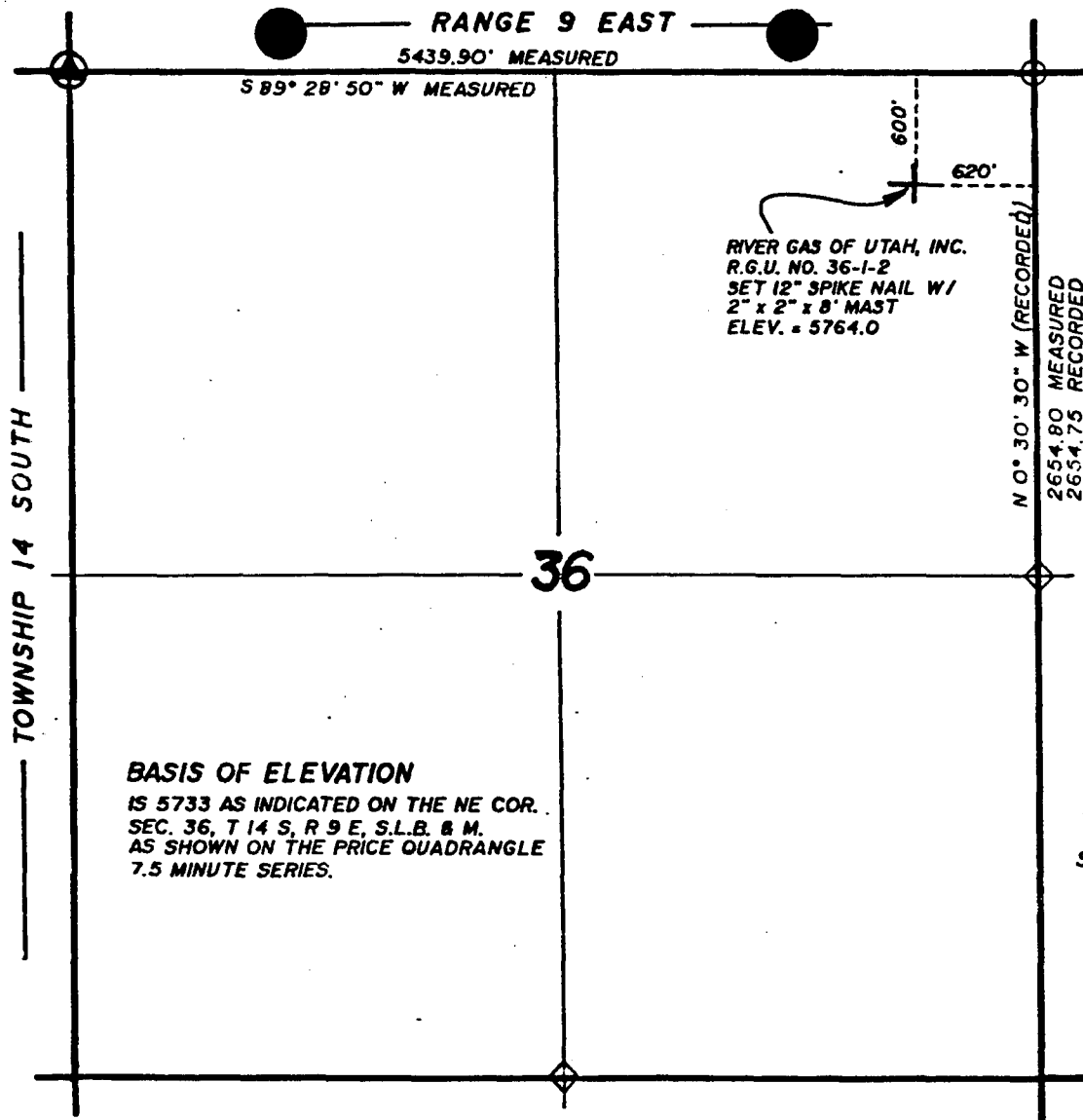
APPROVE FOR UNIT PURPOSES: rcj 4/24/91

\*See Instructions On Reverse Side

(3/89)

10: 8/24/91





### ENGINEER'S CERTIFICATE

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Evan E. Hansen  
EVAN E. HANSEN

APRIL 5, 1991  
DATE

ATTACHMENT #1

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- ◇ FOUND BRASS CAP QUARTER CORNER
- ◇ SEARCHED FOR BUT NOT FOUND

SECTION 36, T 14 S, R 9 E, S.L.B. & M.

**Empire Engineering**

1665 E. SAGEWOOD RD. PRICE, UTAH 84501

RIVER GAS OF UTAH, INC.

R.G.U. NO. 36-1-2

Drawn By: TH

Approved By: EEH

Drawing No.

Date: 4-5-91

Scale: 1" = 1000'

EEOG-102 A.

STATE ACTIONS

Mail to:  
RDCC Coordinator  
116 State Capitol  
Salt Lake City, Utah 84114

1. ADMINISTERING STATE AGENCY  
OIL, GAS AND MINING  
355 West North Temple  
3 Triad Center, Suite 350  
Salt Lake City, Utah 84180-1203
2. STATE APPLICATION IDENTIFIER NUMBER:  
(assigned by State Clearinghouse)
3. APPROXIMATE DATE PROJECT WILL START:  
May 1, 1991
4. AREAWIDE CLEARING HOUSE(s) RECEIVING STATE ACTIONS:  
(to be sent out by agency in block 1)  
Southeastern Utah Association of Governments
5. TYPE OF ACTION: ☐ Lease ☒ Permit ☐ License ☐ Land Acquisition  
☐ Land Sale ☐ Land Exchange ☐ Other
6. TITLE OF PROPOSED ACTION:  
Application for Permit to Drill
7. DESCRIPTION:  
River Gas of Utah, Inc. proposes to drill the Drunkards Wash Unit ~~#UT067921X~~ well (wildcat) on state lease ML 39335 Carbon County, Utah. This action is being presented to RDCC for consideration of resource issues affecting state interests. The Division of Oil, Gas and Mining is the primary administrative agency in this action and must issue approval before operations commence.
8. LAND AFFECTED (site location map required) (indicate county)  
NE/4, NE/4, Section 36, Township 14 South, Range 9 East, Carbon County, Utah
9. HAS THE LOCAL GOVERNMENT(s) BEEN CONTACTED?
10. POSSIBLE SIGNIFICANT IMPACTS LIKELY TO OCCUR:  
Degree of impact is based on the discovery of oil or gas in commercial quantities.
11. NAME AND PHONE NUMBER OF DISTRICT REPRESENTATIVE FROM YOUR AGENCY NEAR PROJECT SITE, IF APPLICABLE:
12. FOR FURTHER INFORMATION, CONTACT:  
Frank R. Matthews  
PHONE: 538-5340
13. SIGNATURE AND TITLE OF AUTHORIZED OFFICIAL  
*FR Matthews*  
DATE: 5-13-91 Petroleum Engineer

WOI187



# State of Utah

Division of State History  
(Utah State Historical Society)  
Department of Community and Economic Development  
300 Rio Grande  
Salt Lake City, Utah 84101-1182  
801-533-5755  
FAX: 801-364-6436

Norman H. Bangerter  
Governor  
Max J. Evans  
Director

May 21, 1991

RECEIVED

MAY 23 1991

DIVISION OF  
OIL GAS & MINING

Michael J. Farrens  
Vice President  
Utah Operations  
River Gas of Utah, Inc.  
3600 Watermelon Road, Suite 204  
Northport, Alabama 35476

RE: Utah 25-9-1, Utah 36-1-2

In Reply Please Refer to Case No. 91-0524

2 wells - River Gas of Utah, Inc.

Sec. 25, T. 14S, R. 9E \* State of Utah 25-9-1


Sec. 36, T. 14S, R. 9E \* State of Utah 36-1-2  
UTS

Dear Mr. Farrens:

The Utah State Historic Preservation Office received the above referenced report on May 14, 1991. After review of the project; our office would not recommend a cultural resources survey of the project area, because of the location of the project and previous survey data.

This information is provided on request to assist River Gas of Utah, Inc. with its Section 106 responsibilities as specified in 36 CFR 800. If you have questions or need additional assistance, please contact me at (801) 533-7039.

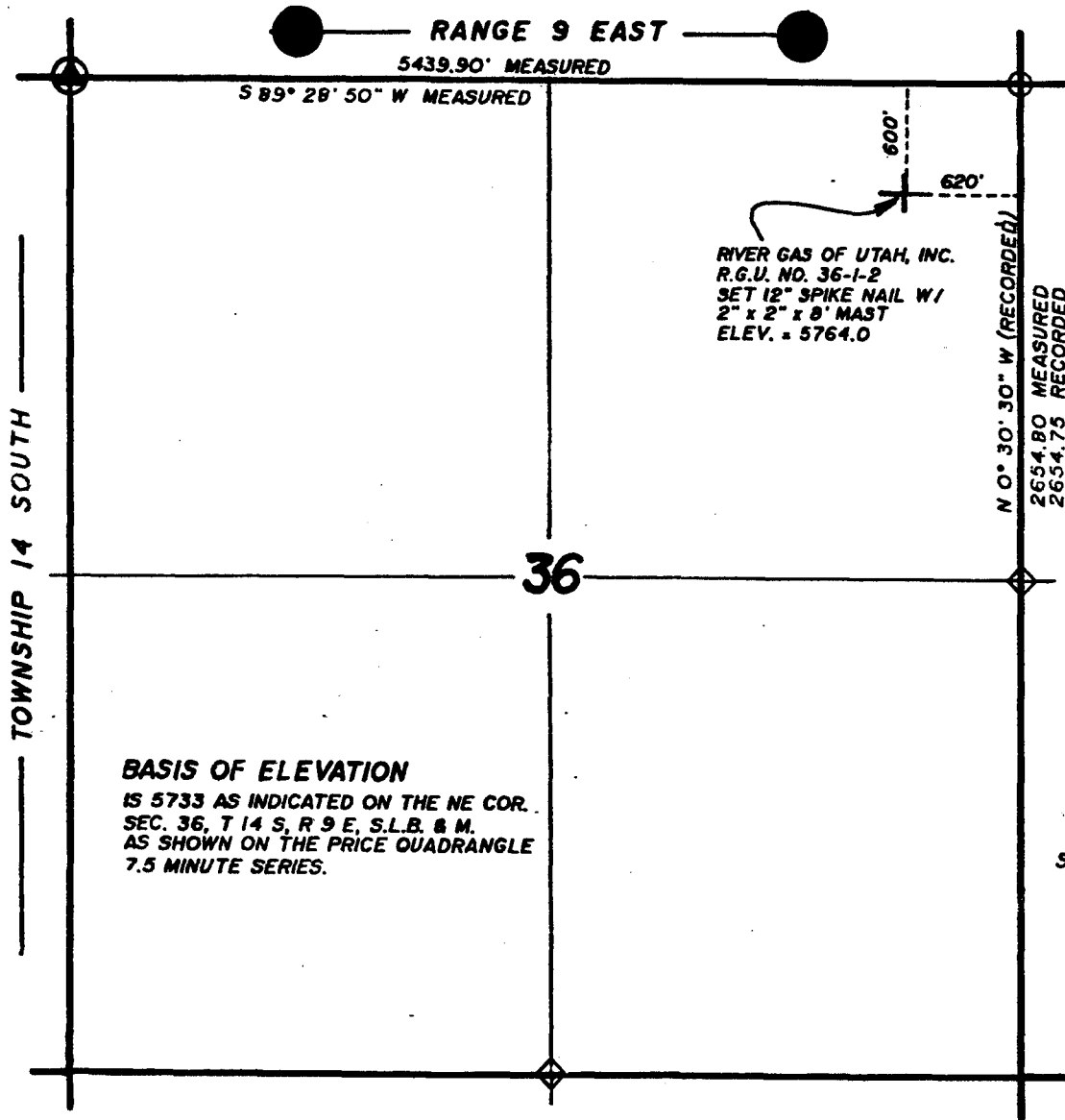
Sincerely,

  
James L. Dykman  
Regulation Assistance Coordinator

JLD:91-0524 OR/NE

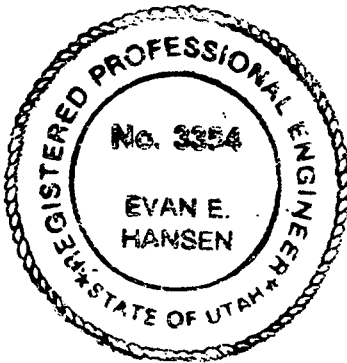
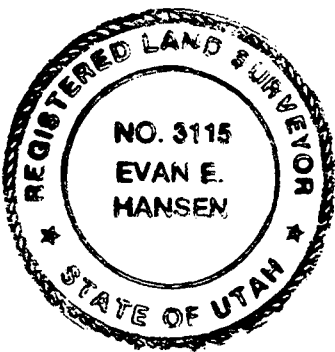
c: Division of Oil, Gas and Mining  
355 West North Temple  
3 Triad Center, Suite 350  
Salt Lake City, UT 84180-1203

c: Division of State Lands & Forestry  
3 Triad Center, Suite 400  
Salt Lake City, UT 84180-1204



**BASIS OF ELEVATION**  
 IS 5733 AS INDICATED ON THE NE COR.  
 SEC. 36, T 14 S, R 9 E, S.L.B. & M.  
 AS SHOWN ON THE PRICE QUADRANGLE  
 7.5 MINUTE SERIES.

SCALE: 1" = 1000'



### ENGINEER'S CERTIFICATE

I, EVAN E. HANSEN, DO HEREBY CERTIFY THAT I AM A REGISTERED LAND SURVEYOR AND PROFESSIONAL ENGINEER HOLDING CERTIFICATES NO. 3115 AND NO. 3354 AS PRESCRIBED UNDER THE LAWS OF THE STATE OF UTAH. I FURTHER CERTIFY THAT I HAVE MADE A SURVEY OF THE TRACT OF GROUND SHOWN AND THAT IT IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE.

Evan E. Hansen  
 EVAN E. HANSEN

APRIL 5, 1991  
 DATE

ATTACHMENT #1

### BASIS OF BEARING

BASIS OF BEARING N 0° 30' 30" W RECORDED BETWEEN THE EAST QUARTER CORNER AND THE NORTHEAST CORNER OF SECTION 36, TOWNSHIP 14 SOUTH, RANGE 9 EAST, SALT LAKE BASE AND MERIDIAN AND IS THE UTAH STATE PLANE COORDINATE SYSTEM AS ESTABLISHED BY THE CARBON COUNTY SURVEYOR'S OFFICE.

### LEGEND

- FOUND ROCK SECTION CORNER
- FOUND BRASS CAP SECTION CORNER
- ◇ FOUND BRASS CAP QUARTER CORNER
- ◇ SEARCHED FOR BUT NOT FOUND

SECTION 36, T 14 S, R 9 E, S.L.B. & M.

**Empire Engineering**

1665 E. SAGEWOOD RD. PRICE, UTAH 84501

RIVER GAS OF UTAH, INC.

R.G.U. NO. 36-1-2

Drawn By: TH

Approved By: EEH

Drawing No.

Date: 4-5-91

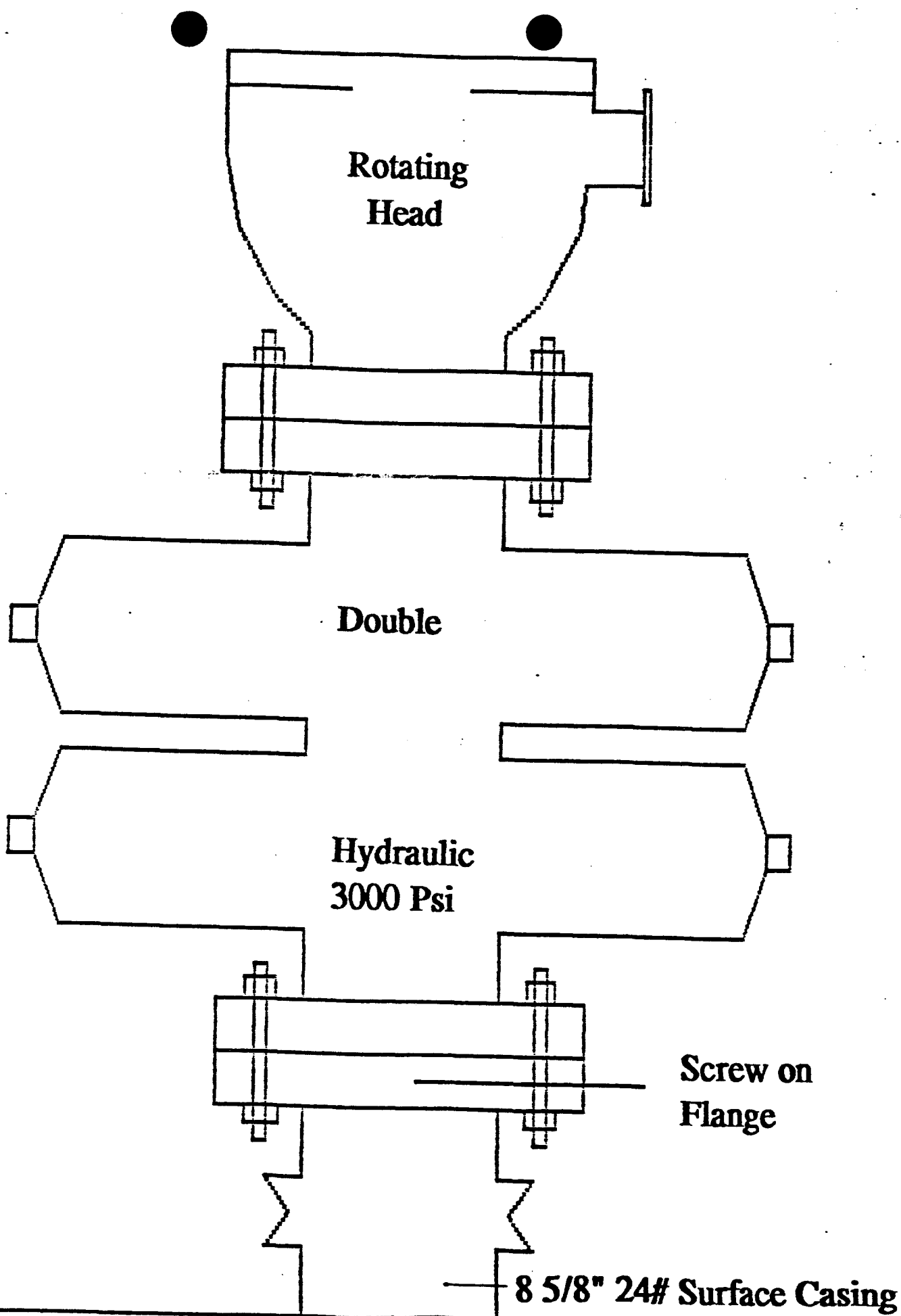
Scale: 1" = 1000'

EEOG-102 A.

RIVER GAS OF UTAH, INC.  
— ADDITIONAL DRILLING INFORMATION —  
ATTACHMENT #2

RE: Use of Water During Drilling Operations

As stated, water which we will be using is to be purchased from the Price River Water Improvement District (Tel. 801-637-6350). This has been arranged by Mr. Michael J. Farrens, Drilling Supervisor for River Gas of Utah, Inc. He has been in contact with Mr. Phillip Palmer. Mr. Farrens has discussed this arrangement with Mark Page of the Division of Water Rights (Tel. 801-637-1303) over the telephone. The Division of Water Rights is to furnish the Oil & Gas Division with a letter of approval concerning this matter.



DESIGNATION OF AGENT OR OPERATOR - FORM 5

The undersigned is, on record, the holder of oil and gas lease

LEASE NAME: STATE OF UTAH

LEASE NUMBER: 39335

and hereby designates

NAME: RIVER GAS OF UTAH, INC.

ADDRESS: 3600 Watermelon Road, Suite 204, Northport, Alabama 35476

as his agent/operator, with full authority to act in his behalf in complying with the terms of the lease and regulations applicable thereto and on whom the Division Director or Authorized Agent may serve written or oral instructions in securing compliance with the Oil and Gas Conservation General Rules and Procedural Rules of the Board of Oil, Gas and Mining of the State of Utah with respect to (describe acreage to which this designation is applicable):

Township 14 South, Range 9 East, SLM.

Section 25: SE/4

Section 36: N/2

containing 480.00 acres, more or less,  
Carbon County, Utah

**COPY**

It is understood that this designation of agent/operator does not relieve the lessee of responsibility for compliance with the terms of the lease and the Oil and Gas Conservation General Rules and Procedural Rules of the Board of Oil, Gas and Mining of the State of Utah. It is also understood that this designation of agent or operator does not constitute an assignment of any interest in the lease.

In case of default on the part of the designated agent/operator, the lessee will make full and prompt compliance with all rules, lease terms or orders of the Board of Oil, Gas and Mining of the State of Utah or its authorized representative.

The lessee agrees promptly to notify the Division Director or Authorized Agent of any change in this designation.

Effective Date of Designation 1-15-91

By: Re. Lunn  
(signature)

Company TEXACO INC.

Title: Attorney-in-Fact

Address P. O. Box 2100

(303) 793-4047

Denver, Colorado 80201

Phone: \_\_\_\_\_

DESIGNATION OF OPERATOR

COPY

The undersigned is, on the records of the Department of Natural Resources, Division of State Lands & Forestry, holder of lease. ML 39335 :

and hereby designates

NAME: River Gas of Utah, Inc.  
ADDRESS: 3600 Watermelon Road, Suite 204, Northport, Alabama 35476

as his operator and local agent, with full authority to act in his behalf in complying with the terms of the lease and regulations applicable thereto and on whom the Director of the Division of State Lands & Forestry or his representative may serve written or oral instructions in securing compliance with the Rules and Regulations Governing the Issuance of Mineral Leases with respect to (described acreage to which this designation is applicable):

Township 14 South, Range 9 East, SLM.

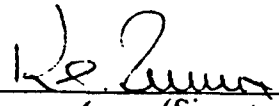
Section 25: SE/4  
Section 36: N/2

containing 480.00 acres, more or less, Carbon County, Utah  
It is understood that this designation of operator does not relieve the lessee of responsibility for compliance with the terms of the lease and the Rules and Regulations. It is also understood that this designation of operator does not constitute an assignment of any interest in the lease.

In case of default on the part of the designated operator, the lessee will make full and prompt compliance with all regulations, lease terms, or orders of the Director, Division of State Lands & Forestry or his representative.

The lessee agrees promptly to notify the Division of State Lands & Forestry of any change in the designated operator.

TEXACO INC.

  
\_\_\_\_\_  
Attorney-in-Fact (Signature of Lessee)

January 15, 1991  
(Date)

P. O. Box 2100  
Denver, Colorado 80201  
(Address)



**RIVER GAS OF UTAH, INC.**  
**Attachment #7**  
**Prepared by Michael J. Farrens**

**Additional Drilling Information**

**Utah 36-1-2**

**600 FNL and 620 FEL**

**Section 36, Township 14 South, Range 9 East, Carbon County, Utah**

**R615-3-4 Permitting of Wells to be Drilled, Deepened or Plugged Back**

**2.1 Telephone numbers for additional information:**

Michael J. Farrens	205/759-3282	Office
Drilling Supervisor	205/758-8535	Home
Joseph L. Stephenson	205/759-3282	Office
Land Manager		
David M. Chambers	205/759-3282	Office
President	205/759-3282	Home

**2.2 State Lease: Serial No. 39335**

**2.3 This gas well will be drilled in a Federal Unit. The Unit name is Drunkards Wash Unit. The Unit No. is UTU 67921X.**

**2.4 Survey Plat: See attachment #1**

**2.5 Water will be purchased from Price River Water Improvement District: See attachment #2.**

**2.6 Drilling program.**

- 2.6.1 The following geologic units are expected to be penetrated in the well.

<u>Formation/Unit</u>	<u>Depth (ft)</u>
Upper Mancos Shale	Surface
Marker Bed	1487
Ferron Coal	1587
Ferron Coals	1605
Ferron Sand	1607
Ferron Coal (Big)	1635
Ferron Coal (Big)	1669
TD	2000

- 2.6.2 The Ferron Coals and lower Ferron Sandstone will be the only gas and water bearing formations. The top is 1587, bottom 1833. 5-1/2" 17# K55 casing will be run and cemented with 200 sacks light cement and tail-in with 100 sacks class "A".

- 2.6.3 A double gate 3000 psi BOPE will be used with a rotating head. This equipment will be tested to 2100 psi or 70% of the minimum internal yield pressure. All test will be recorded in a Driller Report Book. Physical operation of BOP's will be checked on each trip.  
See attachment #3 for Schematic.

- 2.6.4 None.

- 2.6.5 Mud Program:

0-300	12-1/4" hole	Drill with fresh water and gel sweeps as necessary.
300-2000	7-7/8" hole	Drill with air. 400 psi @ 1500-1800 Scf. Mud logger will be on hole to monitor for gas and CO <sub>2</sub> .

- 2.6.6 Logging Program:

Depth

0-300	Gamma Ray
300-2000	Gamma Ray, Density, Neutron porosity, Sonic, Caliper

- 2.6.7 We expect 900 psi for bottom hole pressure.  
No other hazards are expected.

BENEFICIARY:  
STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF STATE LANDS AND FORESTRY  
#3 TRIAD CENTER SUITE 400  
335 WEST TEMPLE  
SALT LAKE CITY, UTAH 84180-1204

DECEMBER 14, 1990  
LETTER OF CREDIT NO. 8304606

RIVER GAS OF UTAH, INC.  
ATTACHMENT #8  
Page 1 of 2

GENTLEMEN:

WE HEREBY ESTABLISH OUR IRREVOCABLE STANDBY LETTER OF CREDIT IN FAVOR OF THE DIRECTOR OF THE DIVISION OF STATE LANDS AND FORESTRY OF THE STATE OF UTAH FOR THE ACCOUNT OF RIVER GAS OF UTAH, INC. 12031 LAKE NICOL ROAD, TUSCALOOSA, ALABAMA 35406 FOR THE AGGREGATE AMOUNT OF EIGHTY THOUSAND DOLLARS (\$80,000.00) AVAILABLE BY YOUR DRAFTS AT SIGHT ON THE BANK WHEN DRAWN IN ACCORDANCE WITH THE TERMS AND ACCOMPANIED BY THE DOCUMENTS LISTED UNDER PART C BELOW:

- A. THIS LETTER OF CREDIT IS ISSUED BECAUSE THE OPERATOR IS OR WILL BE ENGAGED IN DRILLING, REDRILLING, DEEPENING, REPAIRING, OPERATING AND PLUGGING AND ABANDONMENT A WELL OR WELLS AND RESTORING THE WELL SITE OR SITES ON LANDS OWNED BY THE STATE OF UTAH FOR THE PURPOSES OF OIL OR GAS PRODUCTION AND/OR THE INJECTION AND DISPOSAL OF FLUIDS IN CONNECTION THEREWITH FOR THE FOLLOWING DESCRIBED LAND OR WELL:
- TO COVER ALL WELLS DRILLED ON LAND OWNED BY THE STATE OF UTAH.
- B. THIS LETTER OF CREDIT IS SPECIFICALLY ISSUED AT THE REQUEST OF THE OPERATOR TO ASSURE THAT THIS FUND WILL BE AVAILABLE DURING THE TIME THAT THE WELLS REFERENCED ABOVE ARE ACTIVE. WE ARE NOT A PARTY TO, NOR BOUND BY, THE TERMS OF ANY AGREEMENT BETWEEN YOU AND THE OPERATOR OUT OF WHICH THIS LETTER OF CREDIT MAY ARISE.
- C. DRAFTS DRAWN UNDER THIS LETTER OF CREDIT MUST BE ACCOMPANIED BY AN AFFIDAVIT SIGNED BY THE DIRECTOR OF THE DIVISION OF STATE LANDS AND FORESTRY STATING THAT:
1. ANY WELL IS DEEMED NECESSARY FOR PLUGGING AND ABANDONMENT AND THE OPERATOR HAS NOT FULFILLED SUCH OBLIGATION UNDER THE OIL AND GAS CONSERVATION GENERAL RULES OF THE STATE OF UTAH.
  2. THE DRAFT IS IN THE ESTIMATED COST OF PLUGGING EACH WELL UP TO THE AGGREGATE AMOUNT OF THE LETTER OF CREDIT.

WE WILL BE ENTITLED TO RELY UPON THE STATEMENTS CONTAINED IN THE AFFIDAVIT AND WILL HAVE NO OBLIGATION TO INDEPENDENTLY VERIFY ANY STATEMENTS CONTAINED THEREIN.

\*\*\*\*\*CONTINUED ON NEXT PAGE\*\*\*\*\*

AmSouth Bank N.A.  
1930 5th Avenue North  
Birmingham, Alabama 35203-2810 USA

International Department

TELEX: 6827189  
Cable: AMSOUBKHM  
S.W.I.F.T. AMSB US 44

RIVER GAS OF UTAH, INC.

ATTACHMENT #8

Page 2 of 2

BENEFICIARY:

STATE OF UTAH, DIVISION OF STATE

PAGE 02

DECEMBER 14, 1990

LETTER OF CREDIT NO 8384606

EACH DRAFT HEREUNDER MUST BE LISTED AND ENDORSED ON THE REVERSE SIDE OF THIS LETTER OF CREDIT, AND THIS LETTER OF CREDIT MUST BE ATTACHED TO THE LAST DRAFT WHEN THE CREDIT HAS BEEN EXHAUSTED. DRAFTS MAY BE PRESENTED AT THE OFFICE OF THIS BANK NO LATER THAN 2:00 P.M. BIRMINGHAM ALABAMA TIME ON DECEMBER 13, 1991, AND BEAR THE CLAUSE "DRAWN UNDER THE AMSOUTH BANK N.A., BIRMINGHAM, ALABAMA, BANK LETTER OF CREDIT NO. 8384606, DATED DECEMBER 14, 1990".

WE HEREBY ENGAGE WITH THE BONA FIDE HOLDERS OF THIS DRAFT AND/OR DOCUMENTS PRESENTED UNDER AND IN COMPLIANCE WITH THE TERMS OF THIS LETTER OF CREDIT THAT SUCH DRAFT AND/OR DOCUMENTS WILL BE DULY HONORED UPON PRESENTATION TO US. OUR OBLIGATIONS HEREUNDER SHALL NOT BE SUBJECT TO ANY CLAIM OR DEFENSE BY REASON OF THE INVALIDITY, ILLEGALITY, OR UNENFORCEABILITY OF ANY OF THE AGREEMENTS UPON WHICH THIS LETTER OF CREDIT IS BASED.

THIS LETTER OF CREDIT IS SUBJECT TO UNIFORM CUSTOMS AND PRACTICE FOR DOCUMENTARY CREDITS (1983 REVISION) ICC PUBLICATION NO. 400.

*Shelly A. Brookfield*  
AUTHORIZED SIGNATURE

*Joanne B. Hoover*  
AUTHORIZED SIGNATURE



Norman H. Bangerter  
Governor

Dee C. Hansen  
Executive Director

Dianne R. Nielson, Ph.D.  
Division Director

# State of Utah

DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

355 West North Temple  
3 Triad Center, Suite 350  
Salt Lake City, Utah 84180-1203  
801-538-5340

May 31, 1991

River Gas of Utah, Inc.  
12031 Lake Nicol  
Tuscaloosa, Alabama 35406

Gentlemen:

Re: State of Utah 36-1-2 Well Drunkards Wash Unit, 600 feet from the North line, 620 feet from the East line, NE NE, Section 36, Township 14 South, Range 9 East, Carbon County, Utah

Approval to drill the referenced well is hereby granted in accordance with Utah Code Ann. Section 40-6-18, et seq. (1953, as amended), and Utah Admin. R.615-2-3, subject to the following stipulation:

1. A berm should be constructed on west side of location to prevent runoff from location into wash.

In addition, the following actions are necessary to fully comply with this approval:

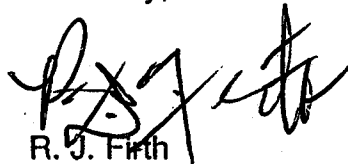
1. Spudding notification within 24 hours after drilling operations commence.
2. Submittal of Entity Action Form 6, within five working days following spudding and whenever a change in operations or interests necessitates an entity status change.
3. Submittal of the Report of Water Encountered During Drilling, Form 7.
4. Prompt notification in the event it is necessary to plug and abandon the well. Notify R. J. Firth, Associate Director, (Office) (801) 538-5340, (Home) 571-6068, or J. L. Thompson, Lead Inspector, (Home) 298-9318.
5. Compliance with the requirements of Utah Admin. R.615-3-20, Gas Flaring or Venting.

Page 2  
River Gas of Utah, Inc.  
State of Utah 36-1-2  
May 31, 1991

6. Prior to commencement of the proposed drilling operations, plans for facilities for disposal of sanitary wastes at the drill site shall be submitted to the local health department. These drilling operations and any subsequent well operations must be conducted in accordance with applicable state and local health department regulations. A list of local health departments and copies of applicable regulations are available from the Division of Environmental Health, Bureau of Drinking Water/Sanitation, telephone (801) 538-6159.
7. This approval shall expire one (1) year after date of issuance unless substantial and continuous operation is underway or an application for an extension is made prior to the approval expiration date.

The API number assigned to this well is 43-007-30131.

Sincerely,



R. J. Firth  
Associate Director, Oil & Gas

tas

Enclosures

cc: Bureau of Land Management  
Division of State Lands  
Division of State History  
J. L. Thompson  
we14/1-6



# State of Utah

## DEPARTMENT OF ENVIRONMENTAL QUALITY DIVISION OF WATER QUALITY

Norman H. Bangerter  
Governor

Kenneth L. Alkema  
Executive Director

Don A. Ostler, P.E.  
Director

288 North 1460 West  
Salt Lake City, Utah  
(801) 538-6146  
(801) 538-6016 Fax

Reply to: State of Utah

Division of Water Quality

Department of Environmental Quality  
Salt Lake City, Utah 84114-4870

September 24, 1991

Michael J. Farrens  
River Gas of Utah, Inc.  
3600 Watermelon Road, Suite 204  
Northport, Alabama 35476

RE: Proposed Discharge of Produced Water  
from Coalbed Gas Recovery Wells

Dear Mr. Farrens:

We have reviewed your August 7, 1991 letter requesting permission to discharge coalbed gas recovery water to Drunkards Wash near Price. As indicated in the August 9, 1991 conversation with Steven McNeal, this type of water with high total dissolved solids concentrations is not considered acceptable for coverage by a general permit. Furthermore, the Colorado River Basin Salinity Control Forum policies and the state's anitdegration policy may preclude issuance of an individual permit.

An injection well or disposal pond regulated by the Division of Oil, Gas & Mining are the usual disposal methods for high TDS water from gas wells. You should contact their office if you desire to pursue one of those alternatives. Other alternatives such as, land application or evaporation ponds, etc., may be considered, however, they would be subject to applicable groundwater permitting requirements.

Please contact Steven McNeal or Kiran Bhayani of this office at (801) 538-6146, if you have further questions.

Sincerely,

Utah Water Quality Board

RGU #1 43-007-30129 Sec. 36, T. 14S, R. 9E

State of UT 25-9-1 43-007-30130  
Sec. 25, T. 14S, R. 9E

St. of UT 36-1-2 43-007-30131 Sec. 36, T. 14S, R. 9E

Utah 36-9-5 43-007-30144 Sec. 36, T. 14S, R. 9E

Utah 31-3-3 42-007-30143 Sec. 31, T. 14S, R. 10E

St. of UT 36-4-4 43-007-30142 Sec. 36, T. 14S, R. 9E

Don A. Ostler, P.E.  
Executive Secretary

DAO:SRM:ja

cc: EPA Region VIII, Water Management  
Southeastern Utah District Health Department  
Division of Oil, Gas & Mining  
David Ariotti, District Engineer

S: FARRENS.LTR

RECEIVED

OCT 04 1991

DIVISION OF  
OIL GAS & MINING

RECEIVED

JUL 13 1992

DIVISION OF  
OIL GAS & MINING

Moab District  
P. O. Box 970  
Moab, Utah 84532

3162 (U-065)  
(ML-39335)

JUL - 8 1992

River Gas of Utah, Inc.  
12031 Lake Nicol  
Tuscaloosa, Alabama 35406

Re: Rescinding Application for Permit to Drill  
Well No. 36-1-2 **43-007-30131**  
NENE Sec. 36, T. 14 S., R. 9 E.  
Carbon County, Utah  
Lease ML-39335

Gentlemen:

The Application for Permit to Drill the referenced well was approved on May 15, 1991. Since that date, no known activity has transpired at the approved location.

Applications for permit to drill are effective for a period of one year. In view of the foregoing, this office is rescinding the approval of the referenced application.

Should you intend to drill at this location at a future date, a new application for permit to drill must be submitted.

If you have any questions, please contact the Branch of Fluid Minerals at (801) 259-6111.

Sincerely yours,

**/S/ WILLIAM C. STRINGER**

Assistant District Manager  
Mineral Resources

Enclosure:  
Application for Permit to Drill

cc: Price River Resource Area, U-066 (w/o encl.)  
State of Utah, Division of Oil, Gas and Mining (w/o encl.) ✓

VButts:vb:7/7/92





**RIVER GAS OF UTAH, INC.**

3600 Watermelon Road, Suite 204  
Northport, Alabama 35476  
Phone (205) 759-3282  
Fax (205) 759-3188

July 10, 1992

Mr. Gil Hunt  
Manager  
State of Utah Natural Resources  
Underground Injection Control Program  
3 Triad Center, Suite 350  
Salt Lake City, UT 84180-1203

RE: Permission to Dispose of Production Water

Dear Mr. Hunt:

Per our conversation I have enclosed is a copy of a Sundry Notice, letter from Price River Water Improvement District granting us their permission to dispose, and our last 3 water analysis from the State 25-9-1 well already drilled in this area. We respectfully request permission from the State of Utah to dispose of production water from our Pilot wells and any subsequent wells drilled.

We appreciate your consideration in this matter. Should you need additional information please give me a call.

Sincerely,

A handwritten signature in cursive script that reads "Michael J. Farrens".

Michael J. Farrens  
Vice-President

MJF/djl

Enclosures

**RECEIVED**

JUL 15 1992

DIVISION OF  
OIL GAS & MINING

**PR** PRICE RIVER WATER  
**WID** IMPROVEMENT DISTRICT

P.O. Box 903  
265 South Fairgrounds Road  
Price, Utah 84501  
Telephone (801) 637-6350  
FAX (801) 637-6374

June 30, 1992

River Gas Of Utah, Inc.  
3600 Watermelon Road, Suite 204  
Northport, Alabama 35476

Attention Micheal J. Farrens

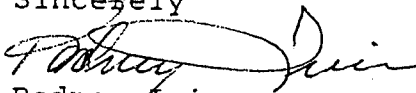
Dear Mike

The District has reviewed your connection proposal dated June 23, 1992 and found it to be acceptable. RGU and the District will enter into a Two Year Agreement with the following items to be included in the agreement:

1. Connection fee for the pilot program
2. Monthly usage charge
3. Parameters to be tested and cost to RGU
4. Restrictions on quality of RGU discharge
5. Duration and dates of agreement
6. Other inclusions that may arise before the agreement is signed.

The District wishes you well on your project. If you have any questions regarding this feel free to contact me at any time, at the District's service Center, 801-637-6350.

Sincerely

  
Rodney Ivie  
Assistant Manager

**RECEIVED**

JUL 15 1992

DIVISION OF  
OIL GAS & MINING





A Procter & Gamble Co.

P.O. Box 217  
Roosevelt, Utah 84066

Office (801) 722-5066  
Fax (801) 722-5727

## WATER ANALYSIS REPORT

COMPANY RIVER GAS ADDRESS \_\_\_\_\_ DATE: 10-16-91

SOURCE State 25-9-1 DATE SAMPLED 10-15 ANALYSIS NO. \_\_\_\_\_

Analysis	Mg/l (ppm)	Meq/l
1. PH	7.4	
2. H <sub>2</sub> S (Qualitative)	1.5	
3. Specific Gravity	1.002	
4. Dissolved Solids	3889	
5. Suspended Solids		
6. Anaerobic Bacterial Count <u>CI</u> C/MI		
7. Methyl Orange Alkalinity (CaCO <sub>3</sub> )		
8. Bicarbonate (HCO <sub>3</sub> )	HCO <sub>3</sub> 860 ÷61 14 HCO <sub>3</sub>	
9. Chlorides (Cl)	Cl 750 ÷35.5 21 Cl	
10. Sulfates (SO <sub>4</sub> )	SO <sub>4</sub> 1000 ÷48 21 SO <sub>4</sub>	
11. Calcium (Ca)	Ca 48 ÷20 2 Ca	
12. Magnesium (Mg)	Mg 12 ÷12.2 1 Mg	
13. Total Hardness (CaCO <sub>3</sub> )	170	
14. Total Iron (Fe)	22	
15. Barium (Qualitative)		
16. Phosphate Residuals		

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OIL GAS & MINING

\*Milli equivalents per liter

### PROBABLE MINERAL COMPOSITION

2	Ca	HCO <sub>3</sub>	14
1	Mg	SO <sub>4</sub>	21
53	Na	Cl	21

#### Saturation Values

Ca CO <sub>3</sub>	13 Mg/l
Ca SO <sub>4</sub> · 2H <sub>2</sub> O	2,090 Mg/l
Mg CO <sub>3</sub>	103 Mg/l

#### Distilled Water 20°C

Compound	Equiv. Wt.	X	Meq/l	=	Mg/l
Ca (HCO <sub>3</sub> ) <sub>2</sub>	81.04	2			162
Ca SO <sub>4</sub>	68.07				
Ca Cl <sub>2</sub>	55.50				
Mg (HCO <sub>3</sub> ) <sub>2</sub>	73.17	1			73
Mg SO <sub>4</sub>	60.19				
Mg Cl <sub>2</sub>	47.62				
Na HCO <sub>3</sub>	84.00	11			924
Na <sub>2</sub> SO <sub>4</sub>	71.03	21			1491
Na Cl	58.46	21			1228

REMARKS \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

165 E. Railroad Avenue

Green River, WY 82935

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DIVISION OF  
OIL GAS & MINING

Phoenix Laboratories, Inc.

(307) 875-8968

CUSTOMER # 1013  
PHOENIX LAB # 1055

CUSTOMER River Gas Of Utah  
3600 Watermelon Road  
Suite 204  
Northport, AL 35476

SAMPLE SOURCE  
Production Water from Price,

OTHER SAMPLE INFORMATION

DATE SAMPLED 9/13/91

CATIONS:	MG/L	MEQ/L
sodium	2047.7	89.1
potassium	15.6	0.4
calcium	35.9	1.8
magnesium	17.0	1.4

TOTAL CATIONS 92.7

ANIONS:	MG/L	MEQ/L
sulfate	139.6	2.9
chloride	1363.4	38.5
carbonate	0.0	0.0
bicarbonate	3211.7	52.7
hydroxide	0.0	0.0

TOTAL ANIONS 94.01

NACL EQUIVALENT	MG/L
	4432
CALC TDS* (365 deg f)	5314
API TDS*	5260

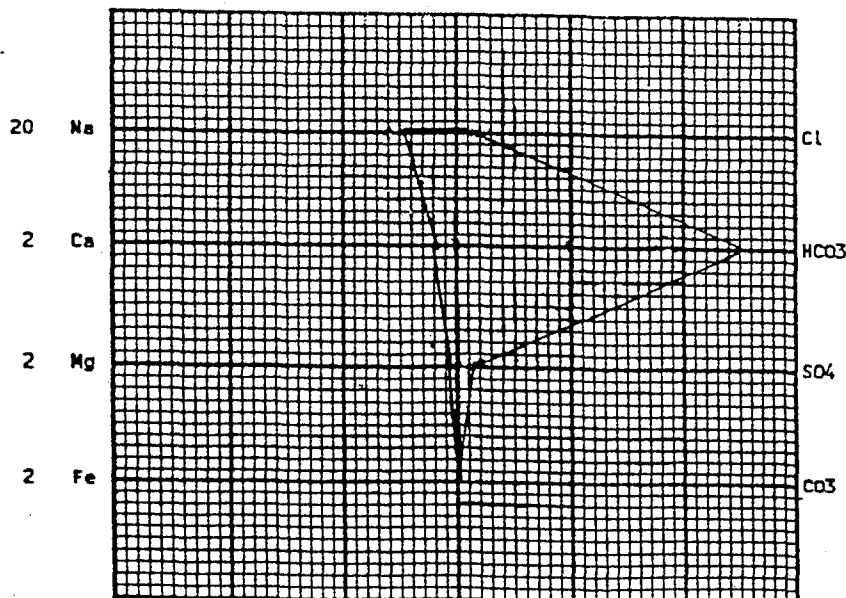
Conductivity @ 68 deg 1.355

Observed pH 7.8

\*total dissolved solids

WATER ANALYSIS PATTERN  
Scale  
MEQ per Unit

(Na value in graph  
includes Na and K)



NOTE: MG/L = milligrams  
per liter  
MEQ/L = milligram  
equivalent  
per liter

Sodium Chloride equivalent  
by Dunlap & Hawthorne -  
calculation from components

ANAEROBIC BACTERIAL COUNT

RIVER GAS

C/ML

25-9-1

9-3-91  
9-5-91  
9-13-91

0  
1-9  
1-9

State 25-9-1

8-27-91  
9-7-91

0  
1-9

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DIVISION OF  
OIL GAS & MINING



A Procter & Gamble Co.

P.O. Box 217  
Roosevelt, Utah 84066

Office (801) 722-5066  
Fax (801) 722-5727

## WATER ANALYSIS REPORT

COMPANY River Gas ADDRESS \_\_\_\_\_ DATE: 9-17-91

SOURCE State 25-9-1 DATE SAMPLED \_\_\_\_\_ ANALYSIS NO. \_\_\_\_\_

Analysis

Mg/l (ppm)

\*Meq/l

1. PH	<u>7.5</u>			
2. H <sub>2</sub> S (Qualitative)	<u>0</u>			
3. Specific Gravity	<u>1.005</u>			
4. Dissolved Solids		<u>5,224</u>		
5. Suspended Solids		<u>52</u>		
6. Anaerobic Bacterial Count	<u>CI</u>	<u>C/MI</u>		
7. Methyl Orange Alkalinity (CaCO <sub>3</sub> )				
8. Bicarbonate (HCO <sub>3</sub> )		<u>1,360</u>	<u>÷61</u>	<u>22</u> HCO <sub>3</sub>
9. Chlorides (Cl)		<u>2,000</u>	<u>÷35.5</u>	<u>56</u> Cl
10. Sulfates (SO <sub>4</sub> )		<u>60</u>	<u>÷48</u>	<u>1</u> SO <sub>4</sub>
11. Calcium (Ca)		<u>44</u>	<u>÷20</u>	<u>2</u> Ca
12. Magnesium (Mg)		<u>12</u>	<u>÷12.2</u>	<u>1</u> Mg
13. Total Hardness (CaCO <sub>3</sub> )		<u>160</u>		
14. Total Iron (Fe)		<u>20.0</u>		
15. Barium (Qualitative)				
16. Phosphate Residuals				

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DIVISION OF  
OIL GAS & MINING

\*Milli equivalents per liter

### PROBABLE MINERAL COMPOSITION

2	Ca	←	HCO <sub>3</sub>	22
1	Mg	→	SO <sub>4</sub>	1
76	Na	→	Cl	56

Saturation Values

Distilled Water 20°C

Ca CO<sub>3</sub>

13 Mg/l

Ca SO<sub>4</sub> · 2H<sub>2</sub>O

2,090 Mg/l

Mg CO<sub>3</sub>

103 Mg/l

Compound	Equiv. Wt.	X	Meq/l	=	Mg/l
Ca (HCO <sub>3</sub> ) <sub>2</sub>	81.04		<u>2</u>		<u>162</u>
Ca SO <sub>4</sub>	88.07				
Ca Cl <sub>2</sub>	55.50				
Mg (HCO <sub>3</sub> ) <sub>2</sub>	73.17		<u>1</u>		<u>73</u>
Mg SO <sub>4</sub>	60.19				
Mg Cl <sub>2</sub>	47.62				
Na HCO <sub>3</sub>	84.00		<u>19</u>		<u>1596</u>
Na <sub>2</sub> SO <sub>4</sub>	71.03		<u>1</u>		<u>71</u>
Na Cl	58.46		<u>56</u>		<u>3274</u>

REMARKS Suspended solids contain iron, and carbonates

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

43007 30131  
145 9E 36

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells. Use APPLICATION FOR PERMIT—for such proposals		6. Lease Designation and Serial Number N/A
		7. Indian Allottee or Tribe Name N/A
		8. Unit or Communitization Agreement N/A
		9. Well Name and Number N/A
1. Type of Well <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other (specify)		10. API Well Number N/A
2. Name of Operator River Gas of Utah, Inc.		11. Field and Pool, or Wildcat N/A
3. Address of Operator 3600 Watermelon Road, Suite 204, Northport, AL 35476		4. Telephone Number 205-759-3282
5. Location of Well Footage : CC, Sec. T., R., M. : VARIOUS    County : State : UTAH		
12. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
<b>NOTICE OF INTENT</b> (Submit in Duplicate)		<b>SUBSEQUENT REPORT</b> (Submit Original Form Only)
<input type="checkbox"/> Abandonment <input type="checkbox"/> New Construction <input type="checkbox"/> Casing Repair <input type="checkbox"/> Pull or Alter Casing <input type="checkbox"/> Change of Plans <input type="checkbox"/> Recompletion <input type="checkbox"/> Conversion to Injection <input type="checkbox"/> Shoot or Acidize <input type="checkbox"/> Fracture Treat <input type="checkbox"/> Vent or Flare <input type="checkbox"/> Multiple Completion <input type="checkbox"/> Water Shut-Off <input type="checkbox"/> Other <u>Permission to dispose of produced</u>		<input type="checkbox"/> Abandonment * <input type="checkbox"/> New Construction <input type="checkbox"/> Casing Repair <input type="checkbox"/> Pull or Alter Casing <input type="checkbox"/> Change of Plans <input type="checkbox"/> Shoot or Acidize <input type="checkbox"/> Conversion to Injection <input type="checkbox"/> Vent or Flare <input type="checkbox"/> Fracture Treat <input type="checkbox"/> Water Shut-Off <input type="checkbox"/> Other _____
Approximate Date Work Will Start _____		Date of Work Completion _____ Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION AND LOG form. * Must be accompanied by a cement verification report.

13. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

River Gas of Utah, Inc. respectfully request permission to dispose of produced water from our Pilot wells and any subsequent wells drilled. Please see the attached letter from Price River Water Improvement District granting us permission to dispose of the water into their sewer system. I have also enclosed copies of our last three water analysis for your information.

\* APPROVED BY THE STATE  
OF UTAH DIVISION OF  
OIL, GAS, AND MINING  
DATE: 7-16-92  
BY: [Signature]  
SEE ATTACHED

RECEIVED

JUL 15 1992

DIVISION OF  
OIL GAS & MINING

14. I hereby certify that the foregoing is true and correct

Name & Signature Michael J. Farrens Michael J. Farrens Title Vice-President Date 7/10/92  
(State Use Only)

Utah Division of Oil, Gas and Mining

Attachment to Sundry Notice and Report on Wells  
dated July 10, 1992

Subject: Request of River Gas of Utah, Inc. (RGU) for permission  
to dispose of produced water in the Price River Water  
Improvement District (PRWID) sewer system.

Conditions of Approval:

- 1) Approval is valid only while operations are in compliance and in accordance with any agreement entered into and between RGU and the PRWID for such disposal activities.
- 2) A copy of any signed agreement with PRWID will be provided to the Division.
- 3) This approval is applicable to water produced from RGU's wells in the Drunkard's Wash area as part of their coalbed methane production activities.





# State of Utah

DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

Norman H. Bangerter

Governor

Dee C. Hansen

Executive Director

Dianne R. Nielson, Ph.D.

Division Director

355 West North Temple

3 Triad Center, Suite 350

Salt Lake City, Utah 84180-1203

801-538-5340

July 27, 1992

River Gas of Utah, Inc.  
12031 Lake Nicol  
Tuscaloosa, Alabama 35406

Gentlemen:

Re: Well No. State of Utah 36-1-2, Sec. 36, T. 14S, R. 9E, Carbon County, Utah  
API No. 43-007-30131

In concert with action taken by the U.S. Bureau of Land Management, approval to drill the above referenced well is hereby rescinded. A new Application for Permit to Drill must be filed with this office for approval prior to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division of Oil, Gas and Mining immediately.

Sincerely,

Don Staley  
Administrative Manager  
Oil and Gas

DME/lde

cc: R.J. Firth

Bureau of Land Management - Moab

Well file

WOI196